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August 29, 2018

**VIA ELECTRONIC FILING**

The Honorable Jocelyn G. Boyd  
Chief Clerk/Administrator  
**Public Service Commission of South Carolina**  
101 Executive Center Drive  
Columbia, South Carolina 29210

RE: Amendment One to Agreement for Transportation Service with Firm Gas Standby between South Carolina Electric & Gas Company and Orchids Paper Products Company. Docket No. 2016-253-G

Dear Ms. Boyd:

On June 1, 2017, South Carolina Electric & Gas Company ("SCE&G") entered into an Agreement for Transportation Service with Firm Gas Standby in the above referenced docket.

Enclosed for filing only is Amendment One to Agreement for Transportation Service with Firm Gas Standby between SCE&G and Orchids Paper Products Company.

By copy of this letter, we are providing the South Carolina Office of Regulatory Staff with a copy of the amendment.

If you have any questions, please advise.

Very truly yours,

K. Chad Burgess

KCB/ctb  
Enclosures

Cc: Jeffrey M. Nelson, Esquire  
Dawn Hipp

ORIGINAL

AMENDMENT ONE TO AGREEMENT FOR TRANSPORTATION SERVICE WITH  
FIRM GAS STANDBY

k This Amendment One, made and entered into this 27<sup>th</sup> day of August, 2018, by and between SOUTH CAROLINA ELECTRIC & GAS COMPANY, its successors and assigns, hereinafter called "Seller", and ORCHIDS PAPER PRODUCTS COMPANY, its successors and assigns, hereinafter called "Buyer".

WITNESSETH

WHEREAS, Seller provides transportation service to Buyer under the terms of an Agreement for Transportation Service with Firm Gas Standby dated June 1, 2017, and

WHEREAS, Buyer and Seller have agreed to amend the Agreement for Transportation Service with Firm Gas Standby between Buyer and Seller to decrease the Maximum Daily Quantity (MDQ) to 850 dekatherms.

NOW THEREFORE, in consideration of these covenants and agreements set forth to be kept and performed by the parties hereto, it is mutually agreed as follows:

- A. This Amendment One shall become effective on June 1, 2018.
- B. Paragraph 1, SCOPE OF DELIVERY, is deleted and replaced with the following:
  - 1. SCOPE OF DELIVERY

(A) FIRM GAS, PRIORITY-OF-SERVICE CATEGORY 3B

Seller acknowledges that Buyer may utilize a source of gas other than system supply gas from Seller's sources. Buyer's gas may be transported to Buyer by Seller under the Transportation services provision of this Agreement. Natural gas is provided hereunder to satisfy Buyer's requirements when Seller is not providing transportation services.

Buyer agrees to purchase from Seller, and Seller agrees to sell to Buyer, up to the Maximum Daily Quantity of natural gas which shall not be subject to interruption or curtailment except for conditions as set forth in Article IV, Paragraph 3, of the General Terms and Conditions hereto attached. The Maximum Daily Quantity of Firm Gas shall be 850 dekatherms per day. Any gas taken by Buyer above the Maximum Daily Quantity, after notice from Seller of curtailment to the Maximum Daily Quantity, without Seller's advance approval, shall be Unauthorized Overrun Gas and shall subject Buyer to the penalty rate per dekatherm set forth in Article IV, Paragraph 5, of the General Terms and Conditions to Industrial Service Agreements hereto attached. Deliveries of Firm Gas under this paragraph

of the Agreement shall be utilized by Buyer only in Priority-of-Service Category 3B as set forth in Article III, Paragraph 1, of the General Terms and Conditions hereto attached. Buyer shall purchase all gas tendered by Seller up to the Maximum Daily Quantity whenever and to the extent Buyer has a requirement for fuel in the Priority-of-Service Category set forth herein.

**(B) ADJUSTMENT TO MDOs**

Seller shall adjust Buyer's Maximum Daily Quantity on an annual basis. The annual adjustment shall be the greater of the Buyer's actual Maximum Daily Quantity over the preceding twelve (12) months or 500 dekatherms.

- C. Paragraph 5(b), NOMINATION PROCEDURES, is deleted and replaced with the following:

**(b) NOMINATION PROCEDURES**

Seller agrees to accept and transport up to 850 dekatherms, excluding shrinkage volumes, of natural gas on a daily basis. Buyer will notify Seller at least five (5) days prior to the end of the month the volumes of gas, in dekatherms, to be transported on a daily basis during the next calendar month. Buyer has the right to change the volume to be transported during the month on a daily basis. It is Buyer's responsibility to notify producers and connecting pipelines regarding any change in transportation volumes. Seller will accept changes in daily volumes dispatched from an upstream pipeline; however, Seller reserves the right to limit or restrict the volumes accepted and transported at any time whenever, in Seller's sole opinion, operating conditions warrant a limitation or restriction on the acceptance or delivery of transportation gas. Limitations or restrictions may be because of, but not limited to, the utilization of deliverability capacity of Seller for Seller's system supply requirements.

- D. The term of this Amendment One shall be the same as the term of the Agreement for Transportation Service with Firm Gas Standby currently in effect.
- E. No other provisions of the Agreement for Transportation Service with Firm Gas Standby between Seller and Buyer are altered by this Amendment One.

IN WITNESS WHEREOF, this Amendment One to Agreement for Transportation Service with Firm Gas Standby has been executed on the date first above written by the parties hereto, by their officers or other representatives.

ORCHIDS PAPER PRODUCTS COMPANY

Buyer

By

Title

Date

SOUTH CAROLINA ELECTRIC & GAS COMPANY

Seller

By

Title

Date

*[Signature]*

*CFO*

*7/30/18*

*[Signature]*

*General Manager Sales*

*8/27/2018*